

The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings:** The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation:** The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress:** The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions

Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.

- A pass or fail evaluation

The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.

- A one-time event

Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.

Note on Language

Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers' identities, we have replaced the numbers with generic wording in brackets (i.e. "[some]", "[worker interviews revealed that]",etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA's efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing

The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select "legal" size paper from Print properties.

FLA Code/ Compliance issue		Courtesy Law/Legal Reference	FLA Benchmark	Non-compliance	Risk of Non-compliance	Evidence of Non-compliance (non-compliance)	If not corroborated, explain why	Source/Document used for corroborating	Positive Features Implemented by Management or Company	PC Remediation plan	Remediation	Company follow up (Nov 11)	Documentation	Company Follow up	Documentation	Company Follow up	Documentation	External Verification (Date: 8/9/2007)	Documentation	PC Follow up & Remediation plan (Date & EB visit on the 8/21/2007)	PC Follow up & Remediation plan (Date & EB visit on the 11/13/2007)	Status
Overtime Limitations			Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.																	2) Few time records for 27th was checked and found that they have not requested to work and also on 26th those workers have worked only half a day which means that it would confirm that they were not required to come to work on Sunday. 3) Production record book was examined and it also showed no production output on 4/27/2007. 4) Factory main gate security record book (RBB-PDF) was checked for records of movements on 05/27/2007. The Log shows that at 8:00 am Accounts Supervisor has arrived for work and 8:36pm the Factory Planner have entered the factory premises with special permission from the General Manager. (These two entries are underlined in the RBB).		
Overtime Limitations			Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is a temporary period of extra work that could not have been anticipated or alleviated by other reasonable efforts.																	5) Interview with particular employee (P 17046) admitted that it was entered by mistake. He just followed the previous page entry and added only one more date to the next page, without taking in consideration of the shifting of the day from Saturday to Monday. He would like to know if this the same incident which the monitor is talking in that report. As per the management, they explained to the auditors that it is a genuine mistake made by the worker, and management say that auditors agree to their explanation.		
Voluntary OT			Overtime hours worked in excess of code standard will be voluntary	Manual time records indicate that Security guards are working 12 to 24 hours a day. Some production workers have sometimes worked in excess of 60 hours per week. There is no formal system in place to ensure or determine that the overtime is voluntary	Review of time records & interview with Security guards	Finding was increasing				1) Factory should conduct ongoing supervisor/worker training on the voluntary overtime policy and labor law provisions. 2) Total work hours including overtime must not be required in excess of the local labor laws or 60 hours per week on a regularly scheduled basis. Since there is no restriction on overtime for male workers, if male workers are working beyond 60 hours, every four workers should be voluntary, as evidenced by the employee's signature not less than once each week indicating a desire to work the additional hours.	Factory agreed to conduct more training and to maintain volunteer statements if male workers are working beyond 60 hours per week by 10/30/05	Overtime hours exceed legal maximum based on workers' testimonies and time records of current month. Misleading testimonies on OT hours from factory management. Lack of management systems to control and monitor hours of work. Unreliable time records.	Time records	PC visited the factory on 8th December and had follow up meetings on the issue of transparency of work hours. Factory disclosed the separately recorded excessive work hours on 12/7/05. According to these records more than 10% of workers have worked more than 12 hours per day and more than 60 hours per week in Oct-Nov.	See visit on 10/21/05. Work hours were within the limits from the month of January 06.	Pay roll records/Time attendance system.	See workers have worked over 60 hours a week up to a maximum of 72 hours, during past 3 months. Security guards still work on 12 hour shifts. While rates in the local language have been posted advising that all overtime is voluntary workers are also verbally informed about this during periodic training sessions.	Review of records, visual inspection and interview with workers and management.	1) Factory will continue to train, analyze and control working hours. Monthly OT analysis report will be in place by October 06. 2) A proper remediation plan for 12 hour shift of security guards will be further clarified among strands FLA and factory partners.	OT tracking report is still pending. Factory agreed to complete this by end Jan 06.	On-going	
In compliance																						
In addition to their compensation for regular hours of work, employees will be compensated for overtime hours at each premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.																						
Accurate recording of OT hours worked?		ICI (Board of Investment) standards on Wages and overtime payment. Factories Ordinance, Act 6 of 1984.	Employees will be paid for all hours worked in a week. Calculation of hours worked must include all time that the employer allows or requires the worker to work.	No time records are maintained for Carman workers while manual time records are maintained for Security House-Keeping workers	Interview with Management and review of time records.	Finding was increasing				1) Regarding the outsourced services (Carman & Housekeeping workers, and Security Guards), the factory should have an agreement with each of the outsourced parties. The agreement should stipulate the outsourced parties to treat their workers pursuant to the local regulations, (for example, working hours, minimum wages and OT compensations, and legally mandated benefits). The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records and furnish copies of records maintained in respect of workers to the principal employer/factory. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	11/30/2005	No time records for carman workers, Manual time records for security and house keeping workers	Manual time records for security and house keeping workers	See visit on the 4/21/06 Manual records available for carman and security workers. Factory reads to monitor rather on compliance with wages and statutory benefits regards to contract workers. Super annuation benefits calculation for carman workers were not clear on the pay slips.	Pay slips for contract workers, time attendance records	Manual time records are being maintained for Carman, House keeping workers and Security Guards. However, except for the current month time records for earlier months for Carman Workers are not available. Review of these records reveal that at these workers work on 12 hour shifts. Instead of recording the actual and time for house-keeping workers only the end of shift time is manually recorded.	Review of records and interview with Management.	Factory has agreements with outsourced parties to ensure compliance with legal requirements and also carry out random monitoring on the service providers. Factory agreed to streamline the monitoring process and work with service providers on remediation plan. Though they are not satisfied workers, management further agreed to install a punching clock by 11/11/2007 to have accurate time records. Factory will continue to educate the service providers to maintain records orderly and up to date.	Personal files are maintained. Pay records and time records are not complete. Factory still in the process of streamlining this area. Will be completed by end Jan 06.	On-going		
OT Compensation			The factory shall comply with applicable law for premium rates for overtime compensation.	Review of Time & Pay records reveal that on few occasions, factory has given a day off to employees to enable them to have an extended weekend. This extra day given off is not off by working 4 hours extra on one consecutive Saturdays which are otherwise half working days (5-11 hours). On such instances, factory works for additional 4 hours which are treated as half day coverage for the staff of given on each occasion. While this is done with workers' consent, the issue here is that the law clearly states that any work undertaken in excess of 8 hours a day is overtime and must be compensated at overtime premium rates. This legal requirement is not met in the situation as on both such Saturdays worked the factory has ended up working 5.50 + 4.00 = 9.50 hours. No overtime premium was paid for 4.50 hours worked in excess of 8 hours on each occasion.	Interview with Management & review of records.	Finding was increasing				Factory claimed that this is a practice adopted to provide extended weekends to workers, which, they enjoy, as most workers are migrants to the city from villages. A normal working day comprises of 8 working hours including one hour for meal and rest. After covering work in time on Saturday they cover 4 hours on two Saturdays to recover the 8 working hours. As per law, there is no provision for covering days. This is an industry practice where during New Year and Christmas season, workers are given long holidays to enjoy the festivals. These holidays are covered from other factories. These days are covered with consent from workers. These are decided during the yearly calendar planning. By taking these as issues with the factory, the result would be that workers losing such benefit of having extended weekends. Factory did not have any other solution for this issue. PCA will interview workers and work with the factory on a resolution.	11/30/2005	Current arrangement of switching holidays is deemed to be welcome and initiated by the workers. It is also a common and acceptable practice in other industries in the country. Factory has agreed that covering time will be limited to 2-12 hours. This means 5-12 hours working + 2 1/2 hours covering time. Any time worked beyond 8 hours, will be paid as overtime.	Management and workers' interviews	See visit on the 4/21/06. Factory has limited covering time to 2-12 hours. This means 5-12 hours working + 2 1/2 hours covering time. Any time worked beyond 8 hours, will be paid as overtime.	Factory calendar/Pay records/Time records	1) Regular working hours legislation is now being met. By Review of Time records of Security guards reveal that, few guards have worked up to 72 hours of overtime during June 07. However, compensating wage overtime compensation for 102 hours only.	Review of records and interview with Management.	OT records are inclusive of those hours provided during the day (1 hour each day), however these hours are not considered in wage calculation. Factory agreed to educate the service providers to maintain proper accounts OT records.	On going, will be completed by end Jan 06.	On-going		
OT Compensation Awareness			Workers shall be informed about overtime compensation rates, by printed and verbal means.	Few workers interviewed were not aware of the calculation for overtime compensation.	Interview with workers	Finding was increasing				1) Factory should provide a pay calculation annexure training program to increase current workers' awareness. The factory should include this information in the new hire orientation as well. 2) Factory should use bulletin boards effectively to post payroll calculation information in the local language spoken by employees.	The factory already cover this area during induction and also had posted on the notice boards. Factory agreed to deliver more awareness by 11/30/05	No such training in place at this time	Management and workers' interviews	See visit on the 12/8/05. Training programs have started.	Training records	See visit on the 4/21/06. Training programs continue.	Many workers are still not aware of the calculation for overtime compensation	Interview with workers	OT and wage calculation training is given at induction/new salary and annually. These details are also included in employee handbook. To gain efficiency in the current trainings, factory agreed to implement the following by 20th Oct 07: 1) Carry out evaluations post the trainings 2) Refresher worker training	This is still pending, factory agreed to complete the same by Jan 08	Pending	
Personal Files			Personal Files of workers have not been updated with current wage increments hence did not match with pay records and workers responses.							The factory should ensure that all personal files are up to date with relevant information including the wage increment details.	The factory already update all personal files by 10/30/2005	Personal files are updated with the latest wage increment information	Employee files					Still pending for carman workers hence do not match with pay records and workers responses.	Review of personnel files of Carman workers	Factory has agreements with outsourced parties to ensure compliance with legal requirements. Factory will continue to educate the service providers to maintain the personal files orderly and up to date. Timeline is by November 07.	Personal files maintained and worker training is on-going	Completed
Outsourced Workers			In the absence of all relevant and appropriate records for (only manual time tracking record available for Security Guards and Housekeeping workers) workers outsourced for support services including Security, House-Keeping & Carman could not verify compliance with applicable code elements.							1) Regarding the outsourced services (Carman & Housekeeping workers, and Security Guards), the factory should have an agreement with each of the outsourced parties. The agreement stipulates the outsourced parties to treat their workers pursuant to the local regulations, (for example, working hours, minimum wages and OT compensations, and legally mandated benefits). The outsourced parties are required to keep track of the working hours and to maintain the time cards and payroll records and furnish copies of records maintained in respect of workers to the principal employer/factory. On the other hand, the factory is required to monitor the outsourced parties to verify if they treat the workers properly.	11/30/2005	Records are maintained for security guards and housekeeping workers, incomplete for carman staff. No time records for carman workers, Manual time records for security and house keeping workers	Manual time records for security and house keeping workers	See visit on the 4/21/06 Manual records available for carman and security workers. Factory agreed to install a mechanical time keeping machine for contract workers.	Manual Time records and personnel files are not available for Housekeeping workers. Wage slip of Carman workers does not specify the total OT hours worked. It only reflects the amount.	Review of records and interview with Management.	Factory has agreements with outsourced parties to ensure compliance with legal requirements. Though they are outsourced workers, management further agreed to install a punching clock by 11/11/2007 to have accurate time records. Factory will continue to educate the service providers to maintain the personal file & wage records orderly and up to date.	Personal files are maintained. Pay records and time records are not complete. Factory still in the process of streamlining this area. Will be completed by end Jan 08	On-going			